

CORPORATION NOTICE
YONKERS COMMUNITY DEVELOPMENT AGENCY NOTICE
CITY OF YONKERS-NEW YORK

PUBLIC HEARING NOTICE

Notice is hereby given that the City Council of the City of Yonkers, N.Y. and the Yonkers Community Development Agency will hold a joint Public Hearing on Tuesday June 9, 2009 at 7:00 P.M. in the City Council Chambers, City Hall, Yonkers N.Y. on the following matter to wit:

Struever Fidelco Cappelli , LLC ("SFC") previously submitted to the Yonkers Community Development Agency (the "Agency") and the City Council of the City of Yonkers ("City Council") a proposal identifying certain urban renewal sites to be developed and located in the Riverview Urban Renewal Area and the Getty Square Urban Renewal Area, which areas are governed by the Modified Urban Renewal Plan for N.D.P. Areas No. 1 and No. 2 and the Getty Square Urban Renewal Plan, respectively.

The City Council, by Resolution No. 71-2006 adopted on April 4, 2006, approved the terms and provisions of a master developer designation agreement ("MDDA") for the designation of SFC as a qualified and eligible sponsor of redevelopment projects in various areas of the City of Yonkers; and the Agency by Resolution No. 16-2006 adopted on May 17, 2006, after due publication of a Notice of Public Disclosure as to the qualifications of SFC, approved the MDDA and the designation of SFC as a qualified and eligible sponsor under Articles 15 and 15-A of the General Municipal Law of the State of New York for the redevelopment of Parcels H and I in the Yonkers Downtown Waterfront Master Plan (the "Master Plan") in the Riverview Urban Renewal Area (now known as the Palisades Point Site) and the Gateway District Project, including the ballpark project, in the Getty Square Urban Renewal Area, now known as the River Park Center and Cacace Center Sites (the "Redevelopment Projects").

The City Council, as lead agency under the State Environmental Quality Review Act ("SEQRA"), completed the SEQRA process, and adopted the Statement of Findings for the Redevelopment Projects by Resolution No. 176-2008 on November 5, 2008, and has considered and reviewed a certain Urban Renewal Land Disposition Agreement ("LDA") to be entered into by and among the Agency, the City of Yonkers, the City of Yonkers Industrial Development Agency ("YIDA"), Yonkers Economic Development Corporation ("YIDA Affiliate"), New Main Street Development Corporation ("NMSDC") and SFC in connection with the Redevelopment Projects and the disposition of lands owned by the City and the Agency, including lands to be acquired by the Agency (collectively, "Disposition Parcels"), through the Agency to SFC, the YIDA Affiliate or NMSDC pursuant to the terms and provisions of the LDA and a development

lease, the form of which is attached to the LDA. The LDA and development lease are subject to approval by the Agency.

The City Council has also considered and reviewed a certain Full Tax Agreement (“FTA”) by and among the City of Yonkers, YIDA and SFC (and the County, if applicable) which will include a written agreement on property tax payments to be made by SFC and certain other covenants to enable YIDA bonds to be repaid with 75% of the increment in an Increment District (as defined in the FTA). The FTA is the vehicle to make increment financing available to the SFC Project while meeting tax jurisdiction needs for known base revenue payments. The structure has the additional advantage of not being a City of Yonkers bond issue.

In accordance with the provisions of Section 507(2)(c) and (d) of Article 15 of the General Municipal Law of the State of New York, and in accordance with the provisions of Section 1411(d) of the Not For Profit Corporation Law of the State of New York, a public hearing is required to be held in connection with the terms and provisions of the LDA, the development leases and the disposition of property owned, or to be acquired, by the City and the Agency.

SUMMARY OF TERMS AND PROVISIONS OF URBAN RENEWAL LAND DISPOSITION AGREEMENT AND DEVELOPMENT LEASES

1. Master Developer Designation Agreement:

Upon execution of the LDA, the MDDA will be deemed terminated and shall be of no force and effect. Notwithstanding this termination, the LDA provides that SFC will have a right of first offer on parcels owned by a City entity, including the Agency, and listed in Exhibit 13.6 to the LDA, for a 24-month period.

2. Development Leases:

(a) The development lease for the **Palisades Point Project** in the Riverview Urban Renewal Area provides that the lands known as Parcels H/I in the Downtown Waterfront Master Plan (Block 640, Lot 38 and Block 643, Lots 1, p/o 24, and Lot 40) will be leased by the Agency (“Development Lease”), subject to the YIDA entering into a financing or sublease with SFC; provided however, any lands under water shall not be included nor shall any riparian rights. It is expected that the Development Lease for Palisades Point will be executed immediately upon approval by the City Council and the Agency, and will be pledged by SFC to an Institutional Lender to extend SFC’s existing credit financing for the Project.

(i) Term and Annual Rent. The term of the Development Lease for Palisades Point is for a period of 49 years, with an initial annual rent for lease years 1 to 5 equal to 4% of the Purchase Price, or \$114,009; for lease years 6 to 10 at \$228,000, and in lease year 11 at \$456,000, and increased (but not decreased) annually thereafter by a Consumer Price Index. If the terms and provisions of the Development Lease are required to be changed by SFC's lenders or the New York State Attorney General, such changes will be approved by the CDA.

(ii) Option to Purchase. SFC has an option to purchase the land at the Purchase Price (defined below) within ten years after substantial completion of the first residential tower to be constructed at the Palisades Point site. If SFC does not exercise the option to purchase within such period, SFC shall lose its option to purchase, and the property shall remain a rental under the Development Lease. If SFC receives approval from the New York State Attorney General's Office to create residential condominium units at Palisades Point prior to substantial completion of the project the option may be exercised at the Purchase Price at such earlier date as required by the Attorney General, on such terms as may be approved by CDA. Upon conveyance of the property to SFC for condominium purposes, under current law, the financing lease or sublease between YIDA and SFC and the payment in lieu of taxes agreement will be terminated.

(c) The development lease for the **River Park Center and Cacace Center Project** (which includes the Government Center and the Palisade Avenue Office Building) uses the same form of development lease as above, except that the lease will not be executed until SFC obtains a construction loan for the Guaranteed Phase I Development. The LDA grants SFC a period of up to 24 months to close on a construction loan, and if SFC fails to obtain such construction loan, the LDA may be terminated by CDA or SFC, and the Development Lease for Palisades Point shall survive. The initial rent upon executing the development lease for the River Park Center and Cacace Center Project will be 4% of the Purchase Price, which shall be increased to twice the amount of the initial rent upon substantial completion of the project; and the first two years of rent paid shall be a credit against the Purchase Price. If SFC does not exercise the option to purchase the land within 10 years after substantial completion of the Guaranteed Phase I Development, then the annual rent will be increased (but not decreased) annually thereafter by a Consumer Price Index. The parcels under this lease are located in the Getty Square Urban Renewal Area, generally described as follows:

- The area is bounded from Riverdale Avenue and Vark Street, East on Vark to South Broadway, North to Guion Street, North to Brook Street, East to School Street, North to Maple Street, East to Linden Street, North to Chestnut Street, East to Victor Street, North to Yonkers Avenue, East to Walnut Street, North to

Ashburton Avenue, West to Stewart Place, South to Walsh Road, East to Yonkers Avenue, along Yonkers Avenue West to Chestnut, West to Saint Casimir Avenue, South to Schroeder Street, West to Locust Hill Avenue, North to Cromwell Place, West to North Broadway, South to Wells Avenue, West to Warburton Avenue, South to Riverdale Avenue and then South to Vark Street.

3. Purchase Price: The Purchase Price for development parcels that will be used for private improvements is determined based upon \$1.2 million per acre.

River Park Center ("RPC") parcels	\$2,924,147
Palisades Avenue parcels	58,257
Government Center site owned by City	851,304
Cacace Center ("CC") site parcels owned by City	401,133
Palisades Point (Parcels H/I/J) parcels	2,850,000

(b) The purchase price for the remainder of the development parcels are as follows:

- (1) the Acquisition Costs for the DOT Parcels paid as incurred by the City Entity or City;
- (2) Acquisition Costs for the Private Parcels paid as incurred by the City Entity;
- (3) Net Health Center Building Purchase Price (est. \$3,000,000) paid as contemplated by Section 2.1(C)(4)(a) of the LDA;
- (4) Old Library Purchase Price payable at possession by the Company (\$1,540,000);
- (5) Net Fire Headquarters Purchase Price payable at possession by the Company (est. \$0);
- (6) Former Police Department Facility Purchase Price (\$1,944,000) payable at possession by the Company;

LESS the Deposit (\$200,000);

LESS up to \$5,850,000.00 for costs incurred by the Company, subject to the CDA Project Manager's review and approval for eligibility, related to construction by the Company of the Scrimshaw House Parking Facility and the Waterfront Public Improvements at Palisades Point;

LESS up to \$1,328,000 for costs incurred by the Company, subject to the CDA Representative's review and approval for eligibility, for the construction of temporary parking for Scrimshaw House during the construction of Palisades Point.

4. Guaranteed Phase 1 Development:

Daylighting and Riverwalk at RPC

Minimum of 300,000 square feet commercial space at RPC

RPC Parking Facility

Ballpark (completed and operational)

Temporary Fire Headquarters
 Replacement Fire Headquarters and Fire Station
 CC Commercial Building
 City Office Condominium Unit
 CC Public Parking Facility
 Residential Tower at RPC (only one)
 Affordable Housing Commitment at RPC
 Waterfront Public Improvements
 Maintenance of Palisades Point surface parking

5. **Affordable Housing.** SFC will provide, or cause the provision of, affordable housing units equal to fourteen percent (14%) of the total number of market rate housing units constructed on a proportionate basis as market rate units are developed. The Affordable Housing Commitment will be subject to a Regulatory Agreement between CDA and SFC to assure the maintenance, operation and delivery of affordable housing units for a period of fifteen years from the date of substantial completion of the Project.

6. **Assemblage of Parcels.** The list of Disposition Parcels is set forth below. The municipal entities will transfer parcels to the YIDA Affiliate, NMSDC or the CDA as the case may be. Agency owned parcels will be conveyed to SFC at the price of \$1,200,000 per acre for private improvements. The parcels acquired by NMSDC will be paid for by utilizing a grant from the State of New York. As necessary, the NMSDC parcels and any other necessary parcels may be acquired by the YIDA. Non-City parcels and non-CDA parcels will be transferred to the SFC at cost.

7. **Infrastructure Costs.** Infrastructure costs have been estimated by the City retained consultant at approximately \$212,000,000 have been identified, include but are not limited to, roads, sanitary sewers, domestic and fire service water facilities, stormwater drainage facilities, public parking facilities, and gas, electric and other utilities ("Infrastructure"). The Infrastructure will be funded with increment financing bonds issued by YIDA in a net aggregate amount of \$160,000,000 plus subordinate bonds. Debt service will be paid out of net parking revenues, pledge of full tax agreement ("FTA") payments of up to 75% of the increment in the Increment District. The County share of the Increment is approximately 15%. The County may, at its election, fund certain improvements using general obligation bonds. This is not an option for the City. The SFC will provide security for the debt service payments if net parking revenues and FTA payments are insufficient.

8. **Disposition Parcels.**

City of Yonkers Community Development Agency Parcels

Parcel ID#	Address	Owner
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1-485-2	16 Palisades Avenue	Yonkers CDA
1.-485-3	18 Palisades Avenue	Yonkers CDA
1.-485-4	20 Palisades Avenue	Yonkers CDA
1.-485-6	24 Palisades Avenue	Yonkers CDA
1.-485-7	26 Palisade Avenue	Yonkers CDA
1.485-8	28 Palisade Avenue	Yonkers CDA
1.-485-10	32 Palisade Avenue	Yonkers CDA
1.-485-12	36 Palisade Avenue	Yonkers CDA
1.-485714	40 Palisade Avenue	Yonkers CDA
1.-485-16	46 Palisade Avenue	Yonkers CDA
1.-485-18	48 Palisade Avenue	Yonkers CDA
1.-486-15	23 John Street	Yonkers CDA
1.-486-16	25 John Street	Yonkers CDA
1.-2027-51	41 Palisade Ave	Yonkers CDA
1.640-1	20 Water Grant	Yonkers CDA
1.640-25	20 Water Grant	Yonkers CDA
1.640-38	20 Water Grant	Yonkers CDA
1.643-1	20 Water Grant	Yonkers CDA
1.643.24	20 Water Grant	Yonkers CDA
1.643-40	20 Water Grant	Yonkers CDA

City of Yonkers Parcels

Parcel ID#	Address	Owner
1.-475-43	159 Nepperhan Avenue	City of Yonkers
1.-475-50	38 School Street (a/k/a 32 John Street)	City of Yonkers
1.-475-51	44 Ann Street a/k/a 32 John Street)	City of Yonkers
1.-475-55	Ann Street (a/k/a 32 John Street)	City of Yonkers
1.-475-59	32 John Street	City of Yonkers - Fire Department
1.-475-75	157 Nepperhan Avenue	City of Yonkers
1.-483-50	149 School Street	City of Yonkers
1.-483-60 Authority	Getty Square Parking Area	City of Yonkers - Parking
1.-485-1	14 Palisades Avenue	City of Yonkers
1.-488.1 (Partial)	87 Nepperhan Ave (Building Department Building) and Government Parking Lot	City of Yonkers
1.-489-1	76 South Broadway	City of Yonkers
1.-490-3	96 South Broadway	City of Yonkers
1.-490-14	207 New Main Street	City of Yonkers
1.-490-15	45 Guion Street	City of Yonkers
1.-490-16	43 Guion Street	City of Yonkers
1.-490-17	41 Guion Street	City of Yonkers
1.-490-18	37 Guion Street	City of Yonkers
1.-490-20	35 Guion Street	City of Yonkers

1.490-21	209 New Main Street	City of Yonkers
1.490-22	37 Guion Street Rear	City of Yonkers
1.490-24	33 Guion Street	City of Yonkers
1.490-72 (Partial)	92 South Broadway	City of Yonkers
1.490-80	100 South Broadway	City of Yonkers
Ann Street	Roadway	City of Yonkers – Engineering
Engine Place 1	Roadway	City of Yonkers – Engineering
Henry Herz Street Engineering	Roadway	City of Yonkers -
James Street	Roadway	City of Yonkers – Engineering
John Street	Roadway	City of Yonkers – Engineering
School Street	Roadway	City of Yonkers - Engineering
Guion St (Partial)	Roadway	City of Yonkers – Engineering
1.488.1	City Hall - Washington Park (Partial)	City of Yonkers
1.488.1.4	Parking Chicken Island	City of Yonkers
1,490.72	Cacace Center - Waring Park (Partial)	City of Yonkers

New York State Department of Transportation Parcels

Parcel ID#	Address	Owner
1.-475-200(Partial)	Nepperhan Avenue	State of New York
1.-475-202	Nepperhan Avenue	State of New York
1.488.200 (Parital)	Arterial	State of New York
1.489.200	Arterial	State of New York
1.490.200	Arterial	State of New York
1.490.201	Arterial	State of New York
1.490-202	Arterial	State of New York
1.490-15	45 Guion Street	City of Yonkers
1.490-16	43 Guion Street	City of Yonkers
1.490-17	41 Guion Street	City of Yonkers
1.490-18	37 Guion Street	City of Yonkers
1.490-20	35 Guion Street	City of Yonkers
1.490-21	209 New Main Street	City of Yonkers
1.490-22	37 Guion Street Rear	City of Yonkers
1.490-24	33 Guion Street	City of Yonkers
1.490-72 (Partial)	92 South Broadway	City of Yonkers
1.490-80	100 South Broadway	City of Yonkers
1.490.200	Arterial	State of New York
1.490.201	Arterial	State of New York
1.490-202	Arterial	State of New York

A copy of the LDA, FTA and the Redevelopers Statement for Public Disclosure is available for public examination at the office of the Agency, 87 Nepperhan Avenue, Yonkers, New York between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday.

JOAN DEIERLEIN
City Clerk
City of Yonkers
City Hall
Yonkers, N.Y. 10701

Dated: May 22, 2009